

February 7, 1990

LB 542, 1168, 1181, 1190
LR 233

Natural Resources reports LB 1168 as indefinitely postponed, LB 1181 indefinitely postponed, LB 1190 indefinitely postponed, those signed by Senator Schmit as Chair.

And Government Committee reports LR 233 to General File with committee amendments attached. That is signed by Senator Baack. (See page 699 of the Legislative Journal.) That's all that I have, Mr. President.

SPEAKER BARRETT: Thank you, sir. Proceeding then to item six on the agenda, General File, LB 542, Mr. Clerk.

CLERK: Mr. President, 542 was a bill introduced by Senators Lindsay, Ashford and Landis. (Read title.) The bill was introduced on January 18 of last year, Mr. President. At that time it was referred to the Banking Committee. The bill was advanced to General File. I have Banking, Commerce and Insurance Committee amendments pending, Mr. President.

SPEAKER BARRETT: Thank you. The Chair recognizes the Chairman of the Banking Committee, Senator Landis.

SENATOR LANDIS: Thank you, Mr. Speaker, members of the Legislature, this measure, 542, was brought to us by Senator Lindsay and relates to the insurance practices basically at the Med Center in Omaha. And the reason this issue comes to us because we have a cap on the liability for medical malpractice losses. That cap is available to people who participate in the medical malpractice insurance mechanism and the Med School participates in that, so that their hospital and their personnel are covered by those caps. To participate in that program, however, you have to be able to provide, if you are in the situation of the Med School, clear evidence of a million dollars of insurance coverage of your own. Once you can show the million dollars of coverage, you can then participate in the program and then these caps on liability apply to you. Well needless to say, everybody wants the caps to apply to them and the Med Center has gone out searching for that million dollars of insurance. What they found is, that the insurance costs for getting that million dollars coverage was really quite exorbitant, far beyond the actual losses that they were experiencing to the tune of 300 to \$500,000 a year greater than the losses that they were accumulating. Instead, what the university would like to do is to create a risk-loss trust. Now